

Senate will be in a period of morning business for 1 hour, with Senators permitted to speak for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the final half.

The Senator from Nebraska is recognized.

Mr. JOHANNIS. Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

#### U.N. STATEHOOD EFFORTS

Mr. JOHANNIS. Mr. President, I rise today to address the Palestinian efforts to gain statehood at the United Nations, which is occurring this week. As most of us are aware, Palestinian Authority President Abbas has signaled that he intends to ask the United Nations for acceptance as a full member state. Several of my colleagues—and I might add from both sides of the aisle—have expressed grave concern over this Palestinian initiative.

President Obama has indicated if this initiative is brought to a vote before the Security Council, the United States plans to veto it. I support that. However, even if the veto occurs, President Abbas may then choose to ask the General Assembly to upgrade Palestinian status to that of a nonvoting observer state. If allowed to become a nonvoting observer state, Palestinians could then participate on U.N. committees and bring allegations against Israel to the International Criminal Court and International Court of Justice. Recognizing a Palestinian state in this manner could also lead to further isolation of Israel within the Middle East. These are outcomes we simply cannot tolerate.

Israel, beyond any shadow of a doubt, is a stalwart friend and ally of the United States. They share our core values as a nation. They are a thriving democracy in a part of the world where democracies are very hard to find. And importantly, they stand strong with us in the battle against international terrorism. Thus, it is absolutely imperative we stand with Israel and do everything we can to send a very clear and straightforward message. That message is this: The United States stands with our friends and we will not allow an international organization to undermine this important and valued friend.

Congress has been very clear on this imperative. Our strong bipartisan commitment was reinforced earlier this summer when both the Senate and the House of Representatives overwhelmingly passed resolutions reaffirming the commitment of the United States to direct negotiations between the Israelis and the Palestinians. The resolutions included opposition to this Palestinian bid for U.N. statehood in a Palestinian Government that includes Hamas.

In light of this unwavering bipartisan support from Congress, it is crucial

that our President continue to make it absolutely clear that the United States stands firm in our opposition to this effort. We have an opportunity and we must signal to the rest of the world that a lasting peace, which we all want to achieve, will only result from direct negotiations between the Israelis and the Palestinians and not through parliamentary procedure at some international organization. While the United States supports a two-state solution, we will not tolerate actions by international organizations to drive a wedge into the Israeli-Palestinian peace process. Although President Abbas claims his initiative is a peaceful approach to resolving the conflict, the Palestinian Authority has refused time and time again to come to the negotiating table and to deal directly with Israel. Setting up roadblock after roadblock, President Abbas has demanded preconditions that have not applied to previous negotiations.

This bid for U.N. statehood also violates the 1993 Oslo peace agreements signed by the Palestinian Authority which required the peace process to continue through direct negotiations. The U.N. statehood bid is counterproductive to a two-state solution as it will further damage Israel's confidence in the Palestinian Authority as a legitimate negotiating partner. Unfortunately, President Abbas's intention to form a unity government with Hamas does not signal support or pursuit of a lasting peace. Hamas has made clear that they have no intention of ending attacks on Palestinians or Israelis and working toward a two-state solution.

Let me be very clear: If the Palestinian Authority continues to associate with Hamas and refuses to negotiate directly with Israel, of course there are consequences. I can assure you the Senate and the House of Representatives will stand together to make our disapproval known. U.S. aid to the Palestinian Authority is not on cruise control. Congress will not walk away from supporting an appropriate way forward in the peace process that respects the equal and inalienable rights of all people. We will not and cannot stand idly by while others attempt to use the United Nations, not to bring about peace, but to undermine our closest allies and friends.

As President Obama and his administration continue efforts to resolve this issue before it is brought up to the Security Council, I ask them to do all they can to relay the disapproval of Congress and what President Abbas is trying to do and to stand without equivocation, shoulder to shoulder, with our friend, the state of Israel. It is our best chance of bringing peace to the region.

I yield the floor and note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I would like to speak for 5 or 10 minutes, and my understanding is we may still be in the Republican time, but they have allowed me to speak now.

(The remarks of Mr. PRYOR pertaining to the introduction of S. 1606 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. PRYOR. Mr. President, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### MEDICARE

Mr. NELSON of Florida. Mr. President, I wanted to call to the attention of the Senate the aftermath of having passed the health care reform bill. There was a great deal of consternation at the time, while we were deliberating, that Medicare was going to be cut. We will recall that \$500 billion was cut out of Medicare over the course of a 10-year period, and the amount that was being cut was considered to be a threat to Medicare.

As a matter of fact, when we passed it, the Medicare cuts came from providers—often providers that stepped up and offered to have greater efficiencies and therefore Medicare savings over the decade. For example, the hospitals of America came forth and said that we will save \$150 billion. So one of the considerations in Medicare was that we were going to have to lean out the Medicare HMO Program called Medicare Advantage.

If we will recall, back in 2003 when we passed the prescription drug bill, Medicare Advantage—the Medicare HMO—was actually given a bump up in Medicare reimbursement, some 14 percent over and above Medicare fee for service. As a result, people had the great incentive to go into a Medicare HMO because the insurance companies—the HMOs—were getting so much more per Medicare beneficiary. But the fact is, we saw, on a long, projected basis over time that it was going to be unsustainable financially for the U.S. Government to keep giving a 14-percent differential to insurance companies over what the average Medicare recipient would get in Medicare fee for service.

That was one of the reforms of the health care bill—to take that 14-percent differential and lean it down over

time, but at the same time make it more efficient, make the health care benefits better by having a greater percentage of the actual delivery of that premium dollar go to health care instead of all the administrative costs and all of that of an insurance company.

I am happy to report to the Senate that the Centers for Medicaid and Medicare Services came out last week with their new results on Medicare Advantage—the Medicare HMO Program—as a result of the new health care bill.

Nationally, the premiums for seniors on Medicare Advantage have gone down 4 percent and the enrollment is up 10 percent. Now that is a significant little victory coming out of the new incentives that were put in the health care reform bill—new incentives to insurance companies to improve their Medicare Advantage; nationally, 4 percent down in premiums, but they are becoming more attractive and so the enrollment has gone up 10 percent. I am happy to tell you, in my State of Florida, where there are more Medicare Advantage enrollees than any other State—over a million—the premiums are down 26 percent and the enrollment is expected to go up almost 20 percent because of the incentives in the health care reform bill.

What in this reform bill has given new life to insurance companies to improve their Medicare coverage that would cause the premiums to come down and the enrollment to go up? Because CMS has now instituted a series of financial incentives for the insurance company. And that is, if the insurance company boosts the quality of the service to its Medicare enrollees, then it will get a bonus per Medicare enrollee. So if it is rated as a 3-star or higher, each additional star gives more of a bonus and incentive to the insurance company, responding to the fact they have increased the quality. That is a good thing. The insurance companies that are only rated 2½ stars now have the financial incentive to get to 3 stars.

What we have is a win all the way around. We have a win, clearly, for the enrollees, who are the Medicare beneficiaries, because they are getting better quality and their premiums have gone down in Florida by 26 percent. We have a second win for the insurance company, because now the higher quality it achieves, it is getting reimbursed from Medicare all the more as a reward for having a higher quality plan. The third win is to the U.S. taxpayer. It lowers the overall amount the U.S. taxpayer is going to have to pay as a result of the greater efficiencies in the Medicare Program. I wanted to come and share with the Senate this win-win-win—triple win—as a result of our having passed the health care reform bill a couple of years ago.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### DISASTER RELIEF

Ms. LANDRIEU. Mr. President, I wanted to get here a little earlier this morning, but I was chairing a panel and was unable to do so. I know I only have 10 or 15 minutes or so before the Senator from Texas speaks, so I appreciate the opportunity to say a few words about our disaster recovery and the debate going on between the House and the Senate about that.

Yesterday, the House was unable to find the votes to pass the continuing resolution, and one of the issues of debate is how and when to fund our disasters. I know there are a lot of people following this debate, so I want to bring everyone up to date on a couple of recent developments.

First, the Chamber of Commerce has submitted a letter to us, strongly objecting to the House using the Advanced Technology Vehicle Manufacturing Loan Program as an offset to fund disasters.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from the U.S. Chamber of Commerce.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE OF THE  
UNITED STATES OF AMERICA,  
*Washington, DC, September 22, 2011.*

TO THE MEMBERS OF THE UNITED STATES SENATE: The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses and organizations of every size, sector, and region, strongly supports disaster relief funding to assist victims of natural disasters. The Chamber is also a vocal proponent of fiscal responsibility and recognizes that Congress must make difficult but necessary choices among competing priorities.

As Congress sets spending priorities, the Chamber wishes to highlight a few important facts about the Advanced Technology Vehicle Manufacturing (ATVM) loan program. First, the program was authorized in the Energy Independence and Security Act of 2007, which was supported by both Republicans and Democrats as an important step in reducing America's dependence on oil from unstable regimes. Second, ATVM loans, which will be repaid with interest, incentivize automakers and suppliers to build more fuel-efficient advanced technology vehicles in the U.S., providing new opportunities for American workers in a sector of the economy that is critical to the nation's recovery. Third, the fact that the Department of Energy has yet to use the funds Congress appropriated for the program is not the fault of industry; numerous loan applicants have been in the queue for years, waiting for the Administration to complete its due diligence.

Again, while the Chamber understands the importance of reducing America's unacceptable debt and believes that all programs must be on the table, the Chamber urges you to bear in mind the facts about the ATVM

loan program, which promotes manufacturing in the U.S. and is an important component of America's energy security.

Sincerely,

R. BRUCE JOSTEN.

Ms. LANDRIEU. Mr. President, it is the position of the Democrats—and some Republicans have taken this position—that this is not the right way to go about funding disasters, by requiring offsets. It is not necessary, it has hardly been done in the past—it has been, but it is not routine—and it is not recommended for a number of reasons I have tried to explain on the floor. But adding to that debate now is the Chamber of Commerce saying that is not the right offset to use if you are going to insist on finding one.

Secondly, I want to push back on the argument the House position will provide enough funding to get us through the next couple of weeks. That is only partially correct, and I want to be very clear. When people say, well, we can go ahead and pass the 2.65 they have in for 2012, which is an extension of last year's number, and then the extra billion they put in for 2011, and that will sort of get us by the next couple of weeks, let me be clear: It will get FEMA by. It will fill up the disaster relief fund, which is running on fumes today. We are now down to \$227 million in the fund, the lowest balance in recent memory. It will provide a small amount of money relative to the core budget—\$226 million. But I want to be clear: There is no money in the House approach for agriculture, there is no money in the House approach for community development block grants—zero—and there is no money for the economic development grants that chambers of commerce all over the country, in areas and counties that have been hard hit, use to help their communities and their businesses get back.

I just left a small business hearing, and the fact is, after a disaster, whether it is in North Carolina or California or Florida or Louisiana—and this is very sad, particularly in these economic times—about 70 percent of small businesses never make it back. So at a time when we are trying to create jobs in America, help Americans get back to work and strengthen their businesses, the House wants to pass a continuing resolution with zero money for these economic development grants that chambers of commerce and other conservative organizations, as well as nonpolitical organizations, believe are very effective.

So, please, if you are going to vote for the House position, don't go home and pat yourself on the back and say you took care of disaster victims. You might have filled up the FEMA fund temporarily, but you have not left here doing the job I think we need to do.

The third point I want to push back on—and I know my time is limited—is this comment last night by several Members of the House that we have offset disaster relief before. Yes, we have,

but not, to my knowledge, in the immediate aftermath of the storms. As these things have gone on over years—for instance, 4 years after Katrina we were trying to find money to rebuild one of our big military bases that collapsed, so we funded that through Defense and we found an offset. But that wasn't within the first couple of weeks of Katrina. That was after 4 years, and we couldn't find the money and we really wanted to find it. So there are ways you can offset sometimes in the distant future.

I am going to remind people that after Katrina, in the first 3 weeks, the Federal Government funded \$66 billion without an offset. After the collapse of the Twin Towers, we funded \$40 billion, and sent that to New York after the collapse of the Twin Towers. After 2004, which was a very terrible year for Florida, this Congress sent \$2 billion within a few weeks of four hurricanes hitting Florida. Had we not done that, that State would be in a very serious economic downturn now. It never could have recovered from four hurricanes in 1 year. They didn't hit Louisiana, they didn't hit Texas, they didn't hit Alabama. All four of them hit Florida. Did we bellyache about it? Did anyone say: Let's run up to Washington and find a \$2 billion program that is not working and cut it out so we can go help the people in Florida? Absolutely not. We sent the money to Florida, and I know they were grateful for it. That might be one of the reasons Senator RUBIO—who was not in the Senate then but now is—has voted for this position, because he knows. He remembers.

I don't know what the House is going to do, and I most certainly don't think we need to shut the government down over this debate, but it is a very important debate to be having. I am proud to be leading the effort, along with many Democrats and some Republicans who are saying, in the aftermath of a year that was one of the worst on record, we do not need to find the offsets now.

I hope the House will stand strong and beat back that position, because it is not right today, it is not going to be right tomorrow, and it is not right for the future.

I just hope we can prevail.

Later on, when we are looking to figure out how to pay for all this, we have time over the next year or year and a half or 2 or 3 or even 4 years as we work on moving our deficit down. All of this is going to have to be paid eventually. But I believe very strongly that we must not think it is OK to get into a pattern of, when disaster strikes, instead of opening shelters, instead of giving people immediate relief, the first thing the leadership of this country does is run to Washington and try to gut several other programs overnight or quickly or without thought before we can fund disasters. That is not the way we should operate.

I thank the Chair for being very considerate and giving me this extra time. I thank my colleagues; I know others

want to speak. Again, we have a whole document here, which I have shown before, of projects in all of our States that have been absolutely shut down because we have run out of money. The only programs that are being funded are real emergencies on the east coast. Everything else in Missouri, Louisiana, California, and Texas has been shut down to fund what is happening on the east coast. This is no way to run a railroad. Let's get disaster relief now.

I hope the House will reconsider their position. I thank the chamber of commerce for coming out strongly to remove that offset. Again, let's see if we can find some money for USDA—Agriculture—community development block grants, and economic development block grants. If they insist on doing it 6 weeks at a time, which I don't agree with, at least put in a little more money for these other programs so we do not shut down, and we will come back here in 6 weeks or 8 weeks and figure it out.

I thank the Chair, and I yield the floor.

#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

#### EXTENDING THE GENERALIZED SYSTEM OF PREFERENCES

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 2832, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2832) to extend the Generalized System of Preferences, and for other purposes.

Pending:

Reid (for Casey) amendment No. 633, to extend and modify trade adjustment assistance.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

#### AMENDMENT NO. 634

Mr. CORNYN. Mr. President, I call up my amendment No. 634 and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. CORNYN] proposes an amendment numbered 634.

Mr. CORNYN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide Taiwan with critically needed United States-built multirole fighter aircraft to strengthen its self-defense capability against the increasing military threat from China)

At the appropriate place, insert the following:

#### SEC. \_\_\_\_ . SALE OF F-16 AIRCRAFT TO TAIWAN.

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of Defense, in its 2011 report to Congress on "Military and Security Developments Involving the People's Republic of China," found that "China continued modernizing its military in 2010, with a focus on Taiwan contingencies, even as cross-Strait relations improved. The PLA seeks the capability to deter Taiwan independence and influence Taiwan to settle the dispute on Beijing's terms. In pursuit of this objective, Beijing is developing capabilities intended to deter, delay, or deny possible U.S. support for the island in the event of conflict. The balance of cross-Strait military forces and capabilities continues to shift in the mainland's favor." In this report, the Department of Defense also concludes that, over the next decade, China's air force will remain primarily focused on "building the capabilities required to pose a credible military threat to Taiwan and U.S. forces in East Asia, deter Taiwan independence, or influence Taiwan to settle the dispute on Beijing's terms".

(2) The Defense Intelligence Agency (DIA) conducted a preliminary assessment of the status and capabilities of Taiwan's air force in an unclassified report, dated January 21, 2010. The DIA found that, "[a]lthough Taiwan has nearly 400 combat aircraft in service, far fewer of these are operationally capable." The report concluded, "Many of Taiwan's fighter aircraft are close to or beyond service life, and many require extensive maintenance support. The retirement of Mirage and F-5 aircraft will reduce the total size of the Taiwan Air Force."

(3) Since 2006, authorities from Taiwan have made repeated requests to purchase 66 F-16C/D multirole fighter aircraft from the United States, in an effort to modernize the air force of Taiwan and maintain its self-defense capability.

(4) According to a report by the Perryman Group, a private economic research and analysis firm, the requested sale of F-16C/Ds to Taiwan "would generate some \$8,700,000,000 in output (gross product) and more than 87,664 person-years of employment in the US," including 23,407 direct jobs, while "economic benefits would likely be realized in 44 states and the District of Columbia".

(5) The sale of F-16C/Ds to Taiwan would both sustain existing high-skilled jobs in key United States manufacturing sectors and create new ones.

(6) On August 1, 2011, a bipartisan group of 181 members of the House of Representatives sent a letter to the President, expressing support for the sale of F-16C/Ds to Taiwan. On May 26, 2011, a bipartisan group of 45 members of the Senate sent a similar letter to the President, expressing support for the sale. Two other members of the Senate wrote separately to the President or the Secretary of State in 2011 and expressed support for this sale.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) a critical element to maintaining peace and stability in Asia in the face of China's two-decade-long program of military modernization and expansion of military capabilities is ensuring a militarily strong and confident Taiwan;

(2) a Taiwan that is confident in its ability to deter Chinese aggression will increase its ability to proceed in developing peaceful relations with China in areas of mutual interest;

(3) the cross-Strait military balance between China and our longstanding strategic partner, Taiwan, has clearly shifted in China's favor;

(4) China's military expansion poses a clear and present danger to Taiwan, and this